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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-075]

Certain Plastic Decorative Ribbon from the People's Republic of China: Preliminary Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that certain plastic decorative ribbon (plastic ribbon) from the People's Republic of China (China) is being, or is likely to be, sold in the United States at less than fair value (LTFV), for the period of investigation (POI) April 1, 2017, through September 30, 2017. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Nancy Decker, Lauren Caserta, or Caitlin Monks, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0196, (202) 482-4737, or (202) 482-2670, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the notice of initiation of this investigation on January 23, 2018.¹ Commerce exercised its discretion to toll deadlines affected by the closure of the Federal Government from January 20 through 22, 2018.² Subsequently, Commerce postponed the deadline for the preliminary determination to July 30, 2018.³ For a complete description of the events that followed the initiation of this investigation, see the Preliminary Decision Memorandum.⁴ A list of topics included in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are identical in content.

¹ See *Certain Plastic Decorative Ribbon from the People's Republic of China: Initiation of Less-Than-Fair-Value Investigation*, 83 FR 3126 (January 23, 2018) (Initiation Notice).

² See Memorandum, "Deadlines Affected by the Shutdown of the Federal Government," dated January 23, 2018 (Tolling Memorandum). Accordingly, all deadlines in this segment of the proceeding have been extended by 3 days.

³ Note that the revised deadline reflects a full postponement to 190 days after the date on which this investigation was initiated, in addition to the 3-day extension due to closure of the Federal Government. See *Certain Plastic Decorative Ribbon from the People's Republic of China: Postponement of Preliminary Determination in the Less-Than-Fair-Value Investigation*, 83 FR 13256 (March 28, 2018).

⁴ See Memorandum, "Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Certain Plastic Decorative Ribbon from the People's Republic of China" (Preliminary Decision Memorandum), dated concurrently with and hereby adopted by this notice.

Scope of the Investigation

The product covered by this investigation is plastic ribbon from China. For a full description of the scope of this investigation, *see* the “Scope of the Investigation” in Appendix I.

Scope Comments

In accordance with the preamble to the Commerce’s regulations,⁵ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁶ Certain interested parties commented on the scope of the investigation as it appeared in the *Initiation Notice*. For a summary of the product coverage comments and rebuttal responses submitted to the record for this preliminary determination, and accompanying discussion and analysis of all comments timely received, *see* the Preliminary Scope Decision Memorandum.⁷ In response to the submitted comments, Commerce is preliminarily modifying the scope language as it appeared in the *Initiation Notice* to exclude certain shredded plastic film/strip and to clarify “exclusion (4).” *See* “Scope of the Investigation” in Appendix I, which includes the additional clarifying language.

Methodology

Commerce is conducting this investigation in accordance with section 731 of the Act. Export prices have been calculated in accordance with section 772(a) of the Act. Because China is a non-market economy within the meaning of section 771(18) of the Act, we calculated normal value (NV) in accordance with section 773(c) of the Act. In addition, Commerce has preliminarily relied upon facts available under section 776(a)(1) of the Act, including the use of an adverse inference under section 776(b) of the Act, for determining the antidumping margin

⁵ *See Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27323 (May 19, 1997).

⁶ *See Initiation Notice*, 83 FR at 3126.

⁷ *See* Memorandum, “Certain Plastic Decorative Ribbon from the People’s Republic of China: Scope Comments Preliminary Decision Memorandum” (Preliminary Scope Decision Memorandum), dated concurrently with and hereby adopted by this notice.

for one producer and exporter combination, as well as for the China-wide entity. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.

Combination Rates

In the *Initiation Notice*, Commerce stated that it would calculate producer/exporter combination rates for the respondents that are eligible for a separate rate in this investigation.

Policy Bulletin 05.1 describes this practice.⁸

Preliminary Determination

Commerce preliminarily determines that the following weighted-average dumping margins exist:

Exporter	Producer	Weighted-Average Dumping Margin (Percent)
Ningbo Junlong Craft Gift Co., Ltd.	Ningbo Junlong Craft Gift Co., Ltd.	45.16
Dongguan Mei Song Plastic Industry Co., Ltd.	Dongguan Mei Song Plastic Industry Co., Ltd.	50.93
Ricai Film Artwork Materials Co., Ltd.	Dongguan Ricai Plastic Technology Co., Ltd.	370.04*
Sun Rich (Asia) Ltd.	Kai Feng Decoration (Hui Zhou) Co., Ltd.	48.05
Sun Rich (Asia) Ltd.	Sheng Yi Decoration (Dong Guan) Co., Ltd.	48.05
Joynice Gifts & Crafts Co., Ltd	Joynice Gifts & Crafts Co., Ltd	48.05
Chiapton Gifts Decorative Limited	Nan Mei (Huizhou) Ribbon Art Factory Ltd.	48.05

⁸ See Enforcement and Compliance's Policy Bulletin No. 05.1 regarding "Separate-Rates Practice and Application of Combination Rates in Antidumping Investigations involving Non-Market Economy Countries," (April 5, 2005) (Policy Bulletin 05.1), available on Commerce's website at <http://enforcement.trade.gov/policy/bull05-1.pdf>.

Chiapton Gifts Decorative Limited	Shantou Longhu YingXin Art Craft Factory Co. Ltd.	48.05
Colorart Plastic Ribbon Productions Limited	Colorart Industrial Limited	48.05
Zhejiang Shaoxing Royal Arts & Crafts Co., Ltd.	Santa's Collection Shaoxing Co. Ltd	48.05
Zhejiang Shaoxing Royal Arts & Crafts Co., Ltd.	Zhejiang Shaoxing Royal Arts & Crafts Co., Ltd.	48.05
Wingo Gift & Crafts (Shenzhen) Co., Ltd	Wingo Gift & Crafts (Shenzhen) Co., Ltd	48.05
Seng San Enterprises Co., Ltd.	Xin Seng San Handicraft (ShenZhen) Co., Ltd.	48.05
Xiangxin Decoration Factory	Xiangxin Decoration Factory	48.05
Xinghui Packaging Co., Ltd.	Xinghui Packaging Co., Ltd.	48.05
Shenzhen SHS Technology R&D Co., Ltd.	Shenzhen SHS Technology R&D Co., Ltd.	48.05
China-Wide Entity		370.04*

*Determined on the basis of adverse facts available.

As detailed in the Preliminary Decision Memorandum, because parties to whom we issued Q&V questionnaires did not provide timely quantity and value questionnaire responses or separate rate applications,⁹ the China-wide entity also includes these non-responsive companies. See Appendix III for a list of companies that did not respond to the quantity and value questionnaire.

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of plastic ribbon from China as described

⁹ See Memorandum to the File, “Antidumping Duty Investigation of Plastic Decorative Ribbon from the People’s Republic of China: Respondent Selection” (March 1, 2018).

in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*.

Pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the weighted-average amount by which the NV exceeds U.S. price as follows: (1) the cash deposit rate for the exporter/producer combination listed in the table above will be the rate identified for that combination in the table; (2) for all combinations of Chinese exporters/producers of merchandise under consideration that have not received their own separate rate above, the cash-deposit rate will be the cash deposit rate established for the China-wide entity, 370.04 percent; and (3) for all non-Chinese exporters of the merchandise under consideration which have not received their own separate rate above, the cash-deposit rate will be the cash deposit rate applicable to the Chinese exporter/producer combination that supplied that non-Chinese exporter. These suspension of liquidation instructions will remain in effect until further notice.

Disclosure and Public Comment

We will disclose the calculations performed to parties to this proceeding within five days of the date of announcement of this preliminary determination in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs, rebuttal briefs, and hearing requests.¹⁰ For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing requests, *see* the Preliminary Decision Memorandum at Section IX.

International Trade Commission (ITC) Notification

In accordance with section 733(f) of the Act, we will notify the United States International Trade Commission (ITC) of our affirmative preliminary determination of sales at

¹⁰ See 19 CFR 351.309(c)-(d), 19 CFR 351.310(c).

LTFV. If our final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Dated: July 30, 2018.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

Appendix I

Scope of the Investigation

The merchandise covered by this investigation is certain plastic decorative ribbon having a width (measured at the narrowest span of the ribbon) of less than or equal to four (4) inches in actual measurement, including but not limited to ribbon wound onto itself; a spool, a core or a tube (with or without flanges); attached to a card or strip; wound into a keg- or egg-shaped configuration; made into bows, bow-like items, or other shapes or configurations; and whether or not packaged or labeled for retail sale. The subject merchandise is typically made of substrates of polypropylene, but may be made in whole or in part of any type of plastic, including without limitation, plastic derived from petroleum products and plastic derived from cellulose products. Unless the context otherwise clearly indicates, the word “ribbon” used in the singular includes the plural and the plural “ribbons” includes the singular.

The subject merchandise includes ribbons comprised of one or more layers of substrates made, in whole or in part, of plastics adhered to each other, regardless of the method used to adhere the layers together, including without limitation, ribbons comprised of layers of substrates adhered to each other through a lamination process. Subject merchandise also includes ribbons comprised of (a) one or more layers of substrates made, in whole or in part, of plastics adhered to (b) one or more layers of substrates made, in whole or in part, of non-plastic materials, including, without limitation, substrates made, in whole or in part, of fabric.

The ribbons subject to this investigation may be of any color or combination of colors (including without limitation, ribbons that are transparent, translucent or opaque) and may or may not bear words or images, including without limitation, those of a holiday motif. The subject merchandise includes ribbons with embellishments and/or treatments, including, without limitation, ribbons that are printed, hot-stamped, coated, laminated, flocked, crimped, die-cut, embossed (or that otherwise have impressed designs, images, words or patterns), and ribbons with holographic, metallic, glitter or iridescent finishes.

Subject merchandise includes “pull-bows” an assemblage of ribbons connected to one another, folded flat, and equipped with a means to form such ribbons into the shape of a bow by pulling on a length of material affixed to such assemblage, and “pre-notched” bows, an assemblage of notched ribbon loops arranged one inside the other with the notches in alignment and affixed to each other where notched, and which the end user forms into a bow by separating and spreading the loops circularly around the notches, which form the center of the bow. Subject merchandise includes ribbons that are packaged with non-subject merchandise, including ensembles that include ribbons and other products, such as gift wrap, gift bags, gift tags and/or other gift packaging products. The ribbons are covered by the scope of this investigation; the “other products” (*i.e.*, the other, non-subject merchandise included in the ensemble) are not covered by the scope of this investigation.

Excluded from the scope of this investigation are the following: (1) ribbons formed exclusively by weaving plastic threads together; (2) ribbons that have metal wire in, on, or along the entirety of each of the longitudinal edges of the ribbon; (3) ribbons with an adhesive coating covering the

entire span between the longitudinal edges of the ribbon for the entire length of the ribbon; (4) ribbon formed into a bow without a tab or other means for attaching the bow to an object using adhesives, where the bow has: (a) an outer layer that is either flocked or made of fabric, and (b) a flexible metal wire at the base which permits attachment to an object by twist-tying; (5) elastic ribbons, meaning ribbons that elongate when stretched and return to their original dimension when the stretching load is removed; (6) ribbons affixed as a decorative detail to non-subject merchandise, such as a gift bag, gift box, gift tin, greeting card or plush toy, or affixed (including by tying) as a decorative detail to packaging containing non subject merchandise; (7) ribbons that are (a) affixed to non-subject merchandise as a working component of such non-subject merchandise, such as where the ribbon comprises a book marker, bag cinch, or part of an identity card holder, or (b) affixed (including by tying) to non-subject merchandise as a working component that holds or packages such non-subject merchandise or attaches packaging or labeling to such non-subject merchandise, such as a “belly band” around a pair of pajamas, a pair of socks or a blanket; (8) imitation raffia made of plastics having a thickness not more than one (1) mil when measured in an unfolded/untwisted state; and (9) ribbons in the form of bows having a diameter of less than seven-eighths (7/8) of an inch, or having a diameter of more than 16 inches, based on actual measurement. For purposes of this exclusion, the diameter of a bow is equal to the diameter of the smallest circular ring through which the bow will pass without compressing the bow.

The scope of the investigation is not intended to include shredded plastic film or shredded plastic strip, in each case where the shred does not exceed 5 mm in width and does not exceed 18 inches in length, imported in bags.

Further, excluded from the scope of the antidumping duty investigation are any products covered by the existing antidumping duty order on polyethylene terephthalate film, sheet, and strip (PET Film) from the People’s Republic of China (China). *See Polyethylene Terephthalate Film, Sheet, and Strip from Brazil, the People’s Republic of China and the United Arab Emirates: Antidumping Duty Orders and Amended Final Determination of Sales at Less Than Fair Value for the United Arab Emirates*, 73 FR 66595 (November 10, 2008).

Merchandise covered by this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under subheadings 3920.20.0015 and 3926.40.0010. Merchandise covered by this investigation also may enter under subheadings 3920.10.0000; 3920.20.0055; 3920.30.0000; 3920.43.5000; 3920.49.0000; 3920.62.0050; 3920.62.0090; 3920.69.0000; 3921.90.1100; 3921.90.1500; 3921.90.1910; 3921.90.1950; 3921.90.4010; 3921.90.4090; 3926.90.9996; 5404.90.0000; 9505.90.4000; 4601.99.9000; 4602.90.0000; 5609.00.3000; 5609.00.4000; and 6307.90.9889. These HTSUS subheadings are provided for convenience and customs purposes; the written description of the scope of this investigation is dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

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- IV. SCOPE COMMENTS
- V. SCOPE OF THE INVESTIGATION
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 - a. Non-Market Economy Country
 - b. Surrogate Country and Surrogate Values Comments
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 - i. Normal Value
 - j. Factor Valuation Methodology
- VII. CURRENCY CONVERSION
- VIII. ADJUSTMENT UNDER SECTION 777A(F) OF THE ACT
- IX. DISCLOSURE AND PUBLIC COMMENT
- X. VERIFICATION
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Appendix III

Unresponsive Companies

1. Best Craftwork Products Co., Ltd.
2. Billion Trend International Ltd.
3. Dongguan Xinghui Packaging Co., Ltd.
4. Fangtai Webbing Co.
5. Foshan City Shunde District Fangtai Webbing Co., Ltd.
6. Hangzhou Jiefa Materials Co., Ltd.
7. Hangzhou Owner Party Co., Ltd.
8. Jiaxing Kaiya Textile Co., Ltd.
9. Long Fine Gift & Bags Factory
10. Nan Mei Decorative Ribbons Co., Ltd.
11. Ningbo Qianyi Color Ribbon Co., Ltd.
12. Ningbo Sellers Union Co., Ltd.
13. Qingdao Hileaders Co., Ltd.
14. Shanghai Foreign Trade Enterprises Pudong Co., Ltd.
15. Shenzhen Ao Wei Gift Co., Ltd.
16. Shenzhen Gary Gifts Packing Co., Ltd.
17. Shenzhen Guangyunda Technology Co., Ltd.
18. True Color Gift Packing Co., Ltd.
19. Wellmark Gift (Shenzhen) Co Ltd
20. Wello Gift Co., Ltd.
21. Xiamen Golden Grand Lucky Ribbon & Bow Co., Ltd.
22. Xiamen Meisida Decorations Co., Ltd.
23. Yangzhou Bestpak Gifts & Crafts Co., Ltd.
24. Yiwu Eco-Tondo Artware Co., Ltd.
25. Yongjiixin Gifts & Crafts Factory

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